

# **TOWN OF COLE**

June 30, 2014

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**Independent Accountant's Report  
On Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Council, Town of Cole  
Cole, Oklahoma

Trustees of the Cole Public Works Authority  
Cole, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

McClain County Clerk  
Purcell, Oklahoma

Association of South Central Oklahoma Governments  
Duncan, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balance-Modified Cash Basis of the Town of Cole and Public Trust, Cole, Oklahoma as of June 30, 2014 and the related Budgetary Comparison Schedule of General Fund-Modified Cash Basis, Budgetary Comparison Schedule of Street & Alley Fund-Modified Cash Basis, Statement of Revenues, Expenses and Changes in Fund Balance of Cole Public Works Authority-Modified Cash Basis, and Schedule of Grant Activity-Modified Cash Basis for the fiscal year ended June 30, 2014. The financial statements have been prepared in a format and basis of accounting as prescribed by Oklahoma statutes, that demonstrates compliance with the modified cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the modified cash basis and budget laws of the State of Oklahoma.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis and the requirements of Oklahoma Statutes and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions

about the Town's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Public Works Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2014. Management of the Town of Cole is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### **Procedures and Findings**

As to the **Town of Cole** as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds (any fund whose revenues, expenditures or ending fund balance exceeds 10% of the Town's total revenues, expenditures or fund balances) listing separately each federal fund (see accompanying Exhibit 2) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

**Findings:** No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

7. **Procedures Performed:** We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Town has no reserve requirement, this procedure was not performed.

As to the **Cole Public Works Authority**, as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Authority's trial balances, we prepared a schedule of revenues, expenditures/expenses and changes in fund balances/net assets for each fund (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** We agreed the Authority's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Authority has no reserve requirement, this procedure was not performed.

As to the **Town of Cole and Public Trust Grant Programs**, as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

**Findings:** No exceptions were found as a result of applying the procedure.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.

*Angel, Johnston + Blasingame, P.C.*

Angel, Johnston and Blasingame, P.C.  
November 20, 2014

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**SUMMARY OF CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balance</u>
<b>TOWN:</b>				
General Fund	\$ 217,931	\$ 119,736	\$ 32,842	\$ 304,826
Street & Alley Fund	66,993	5,514	0	72,507
<b>Town Subtotal</b>	<u>284,925</u>	<u>125,249</u>	<u>32,842</u>	<u>377,332</u>
<b>PUBLIC TRUST:</b>				
Cole Public Works Authority	175,494	65,178	90,148	150,524
<b>Public Trust Subtotal</b>	<u>175,494</u>	<u>65,178</u>	<u>90,148</u>	<u>150,524</u>
<b>Overall Totals</b>	<u>\$ 460,419</u>	<u>\$ 190,427</u>	<u>\$ 122,990</u>	<u>\$ 527,856</u>

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**GENERAL FUND**

For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 268,421	\$ 268,421	\$ 217,931	\$ (50,490)
<b>Charges for Services:</b>				
Fire Runs	1,800	1,800	-	(1,800)
Total Charges for Services	1,800	1,800	-	(1,800)
<b>Intergovernmental-Local:</b>				
Franchise tax	25,560	25,560	30,683	5,123
Total Intergovernmental-Local	25,560	25,560	30,683	5,123
<b>Intergovernmental-State:</b>				
Sales tax	13,590	13,590	20,576	6,986
Alcohol beverage tax	1,980	1,980	2,342	362
Use tax	2,160	2,160	6,714	4,554
Tobacco tax	180	180	234	54
State grants	4,032	4,032	4,474	442
Total Intergovernmental-State	21,942	21,942	34,340	12,398
<b>Intergovernmental-Federal:</b>				
Federal grants	-	-	-	-
Total Intergovernmental-State	-	-	-	-
<b>Miscellaneous Revenue:</b>				
Interest	405	405	422	17
Rental	765	765	900	135
Sale of Property	-	-	3,000	3,000
Donations	-	-	720	720
Miscellaneous	72	72	479	407
Total Miscellaneous Revenue	1,242	1,242	5,521	4,279
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	49,193	49,193
<b>Amounts available for appropriation</b>	<b>318,965</b>	<b>318,965</b>	<b>337,667</b>	<b>18,702</b>
<b>Charges to Appropriations:</b>				
Personal Services	6,500	6,500	13,741	(7,241)
Maintenance & Operations	34,000	34,000	17,214	16,786
Capital Outlay	60,000	60,000	1,887	58,113
Debt Service	-	-	-	-
Total Other	100,500	100,500	32,842	67,658
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	<b>100,500</b>	<b>100,500</b>	<b>32,842</b>	<b>67,658</b>
<b>Unallocated Fund Balance</b>	<b>218,465</b>	<b>218,465</b>	<b>-</b>	<b>218,465</b>
<b>Ending Budgetary Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 304,826</b>	<b>\$ 304,826</b>

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**STREET & ALLEY FUND**  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 66,993	\$ 66,993	\$ 66,993	\$ -
<b>Revenues</b>	-	-	5,514	5,514
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	-	-
<b>Amounts available for appropriation</b>	66,993	66,993	72,507	5,514
<b>Charges to Appropriations:</b>				
Personal Services	-	-	-	-
Maintenance & Operations	36,993	36,993	-	36,993
Capital Outlay	30,000	30,000	-	30,000
Debt Service	-	-	-	-
Total Other	66,993	66,993	-	66,993
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	66,993	66,993	-	66,993
<b>Unallocated Fund Balance</b>	-	-	-	-
<b>Ending Budgetary Fund Balance</b>	\$ -	\$ -	\$ 72,507	\$ 72,507



**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**COLE PUBLIC WORKS AUTHORITY**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

**Operating Revenues:**

Charges for services:

Water Revenues	\$ 62,634
Water Taps	-
Total Operating Revenue	<u>62,634</u>

**Operating Expenses:**

Personal Services	-
Maintenance & Operations	<u>37,576</u>
Total Operating Expenses	<u>37,576</u>

Operating Income (Loss)	<u>25,058</u>
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**Non-Operating Revenues (Expenses):**

Investment income	294
Miscellaneous income	-
Water Meter Deposits (Net)	871
Grant revenue	-
Capital outlay	<u>(2,000)</u>
Total Non-Operating Revenues (Expenses)	<u>(836)</u>

<b>Net Income (Loss) Before Contributions and Transfers</b>	<b>24,223</b>
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Capital contributions	-
Operating Transfers in	-
Operating Transfers out	<u>(49,193)</u>
	(49,193)

<b>Changes in Fund Balance</b>	<b>(24,970)</b>
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<b>Fund Balance - beginning</b>	<u>175,494</u>
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<b>Fund Balance - ending</b>	<u><u>\$ 150,524</u></u>
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**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**SCHEDULE OF GRANT ACTIVITY-MODIFIED CASH BASIS**  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<u>Award Amount</u>	<u>Prior Year(s) Receipts</u>	<u>Prior Year(s) Disbursements</u>	<u>Beginning of Year Unexpended Grant Funds</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Unexpended Grant Funds</u>
<b>TOWN:</b>							
Department of Agriculture Fire Operations Grant	\$ 4,474	\$ -	\$ -	\$ -	\$ 4,474	\$ 4,474	\$ -
<b>Town Subtotal</b>	<u>4,474</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,474</u>	<u>4,474</u>	<u>-</u>
<b>PUBLIC WORKS AUTHORITY:</b>							
Association of South Central Oklahoma Governments REAP-COLE-12	41,200	-	-	-	-	-	-
<b>PWA Subtotal</b>	<u>41,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Overall Totals</b>	<u>\$ 45,674</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,474</u>	<u>\$ 4,474</u>	<u>\$ -</u>

# **TOWN OF COLE**

June 30, 2014

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**Independent Accountant's Report  
On Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Council, Town of Cole  
Cole, Oklahoma

Trustees of the Cole Public Works Authority  
Cole, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

McClain County Clerk  
Purcell, Oklahoma

Association of South Central Oklahoma Governments  
Duncan, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balance-Modified Cash Basis of the Town of Cole and Public Trust, Cole, Oklahoma as of June 30, 2014 and the related Budgetary Comparison Schedule of General Fund-Modified Cash Basis, Budgetary Comparison Schedule of Street & Alley Fund-Modified Cash Basis, Statement of Revenues, Expenses and Changes in Fund Balance of Cole Public Works Authority-Modified Cash Basis, and Schedule of Grant Activity-Modified Cash Basis for the fiscal year ended June 30, 2014. The financial statements have been prepared in a format and basis of accounting as prescribed by Oklahoma statutes, that demonstrates compliance with the modified cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the modified cash basis and budget laws of the State of Oklahoma.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis and the requirements of Oklahoma Statutes and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions

about the Town's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Public Works Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2014. Management of the Town of Cole is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### **Procedures and Findings**

As to the **Town of Cole** as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds (any fund whose revenues, expenditures or ending fund balance exceeds 10% of the Town's total revenues, expenditures or fund balances) listing separately each federal fund (see accompanying Exhibit 2) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

**Findings:** No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

7. **Procedures Performed:** We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Town has no reserve requirement, this procedure was not performed.

As to the **Cole Public Works Authority**, as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Authority's trial balances, we prepared a schedule of revenues, expenditures/expenses and changes in fund balances/net assets for each fund (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

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**Findings:** No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Authority has no reserve requirement, this procedure was not performed.

As to the **Town of Cole and Public Trust Grant Programs**, as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

**Findings:** No exceptions were found as a result of applying the procedure.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.

*Angel, Johnston + Blasingame, P.C.*

Angel, Johnston and Blasingame, P.C.  
November 20, 2014

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**SUMMARY OF CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balance</u>
<b>TOWN:</b>				
General Fund	\$ 217,931	\$ 119,736	\$ 32,842	\$ 304,826
Street & Alley Fund	66,993	5,514	0	72,507
<b>Town Subtotal</b>	<u>284,925</u>	<u>125,249</u>	<u>32,842</u>	<u>377,332</u>
<b>PUBLIC TRUST:</b>				
Cole Public Works Authority	175,494	65,178	90,148	150,524
<b>Public Trust Subtotal</b>	<u>175,494</u>	<u>65,178</u>	<u>90,148</u>	<u>150,524</u>
<b>Overall Totals</b>	<u>\$ 460,419</u>	<u>\$ 190,427</u>	<u>\$ 122,990</u>	<u>\$ 527,856</u>



**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**GENERAL FUND**

For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 268,421	\$ 268,421	\$ 217,931	\$ (50,490)
<b>Charges for Services:</b>				
Fire Runs	1,800	1,800	-	(1,800)
Total Charges for Services	1,800	1,800	-	(1,800)
<b>Intergovernmental-Local:</b>				
Franchise tax	25,560	25,560	30,683	5,123
Total Intergovernmental-Local	25,560	25,560	30,683	5,123
<b>Intergovernmental-State:</b>				
Sales tax	13,590	13,590	20,576	6,986
Alcohol beverage tax	1,980	1,980	2,342	362
Use tax	2,160	2,160	6,714	4,554
Tobacco tax	180	180	234	54
State grants	4,032	4,032	4,474	442
Total Intergovernmental-State	21,942	21,942	34,340	12,398
<b>Intergovernmental-Federal:</b>				
Federal grants	-	-	-	-
Total Intergovernmental-State	-	-	-	-
<b>Miscellaneous Revenue:</b>				
Interest	405	405	422	17
Rental	765	765	900	135
Sale of Property	-	-	3,000	3,000
Donations	-	-	720	720
Miscellaneous	72	72	479	407
Total Miscellaneous Revenue	1,242	1,242	5,521	4,279
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	49,193	49,193
<b>Amounts available for appropriation</b>	<b>318,965</b>	<b>318,965</b>	<b>337,667</b>	<b>18,702</b>
<b>Charges to Appropriations:</b>				
Personal Services	6,500	6,500	13,741	(7,241)
Maintenance & Operations	34,000	34,000	17,214	16,786
Capital Outlay	60,000	60,000	1,887	58,113
Debt Service	-	-	-	-
Total Other	100,500	100,500	32,842	67,658
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	<b>100,500</b>	<b>100,500</b>	<b>32,842</b>	<b>67,658</b>
<b>Unallocated Fund Balance</b>	<b>218,465</b>	<b>218,465</b>	<b>-</b>	<b>218,465</b>
<b>Ending Budgetary Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 304,826</b>	<b>\$ 304,826</b>

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**STREET & ALLEY FUND**  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 66,993	\$ 66,993	\$ 66,993	\$ -
<b>Revenues</b>	-	-	5,514	5,514
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	-	-
<b>Amounts available for appropriation</b>	66,993	66,993	72,507	5,514
<b>Charges to Appropriations:</b>				
Personal Services	-	-	-	-
Maintenance & Operations	36,993	36,993	-	36,993
Capital Outlay	30,000	30,000	-	30,000
Debt Service	-	-	-	-
Total Other	66,993	66,993	-	66,993
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	66,993	66,993	-	66,993
<b>Unallocated Fund Balance</b>	-	-	-	-
<b>Ending Budgetary Fund Balance</b>	\$ -	\$ -	\$ 72,507	\$ 72,507

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**COLE PUBLIC WORKS AUTHORITY**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

**Operating Revenues:**

Charges for services:

Water Revenues	\$ 62,634
Water Taps	-
Total Operating Revenue	<u>62,634</u>

**Operating Expenses:**

Personal Services	-
Maintenance & Operations	<u>37,576</u>
Total Operating Expenses	<u>37,576</u>

Operating Income (Loss)	<u>25,058</u>
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**Non-Operating Revenues (Expenses):**

Investment income	294
Miscellaneous income	-
Water Meter Deposits (Net)	871
Grant revenue	-
Capital outlay	<u>(2,000)</u>
Total Non-Operating Revenues (Expenses)	<u>(836)</u>

<b>Net Income (Loss) Before Contributions and Transfers</b>	<b>24,223</b>
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Capital contributions	-
Operating Transfers in	-
Operating Transfers out	<u>(49,193)</u>
	(49,193)

<b>Changes in Fund Balance</b>	<b>(24,970)</b>
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<b>Fund Balance - beginning</b>	<u>175,494</u>
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<b>Fund Balance - ending</b>	<u><u>\$ 150,524</u></u>
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**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**SCHEDULE OF GRANT ACTIVITY-MODIFIED CASH BASIS**  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<u>Award Amount</u>	<u>Prior Year(s) Receipts</u>	<u>Prior Year(s) Disbursements</u>	<u>Beginning of Year Unexpended Grant Funds</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Unexpended Grant Funds</u>
<b>TOWN:</b>							
Department of Agriculture Fire Operations Grant	\$ 4,474	\$ -	\$ -	\$ -	\$ 4,474	\$ 4,474	\$ -
<b>Town Subtotal</b>	<u>4,474</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,474</u>	<u>4,474</u>	<u>-</u>
<b>PUBLIC WORKS AUTHORITY:</b>							
Association of South Central Oklahoma Governments REAP-COLE-12	41,200	-	-	-	-	-	-
<b>PWA Subtotal</b>	<u>41,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Overall Totals</b>	<u>\$ 45,674</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,474</u>	<u>\$ 4,474</u>	<u>\$ -</u>

# **TOWN OF COLE**

June 30, 2014

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**Independent Accountant's Report  
On Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Council, Town of Cole  
Cole, Oklahoma

Trustees of the Cole Public Works Authority  
Cole, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

McClain County Clerk  
Purcell, Oklahoma

Association of South Central Oklahoma Governments  
Duncan, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balance-Modified Cash Basis of the Town of Cole and Public Trust, Cole, Oklahoma as of June 30, 2014 and the related Budgetary Comparison Schedule of General Fund-Modified Cash Basis, Budgetary Comparison Schedule of Street & Alley Fund-Modified Cash Basis, Statement of Revenues, Expenses and Changes in Fund Balance of Cole Public Works Authority-Modified Cash Basis, and Schedule of Grant Activity-Modified Cash Basis for the fiscal year ended June 30, 2014. The financial statements have been prepared in a format and basis of accounting as prescribed by Oklahoma statutes, that demonstrates compliance with the modified cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the modified cash basis and budget laws of the State of Oklahoma.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis and the requirements of Oklahoma Statutes and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions

about the Town's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Public Works Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2014. Management of the Town of Cole is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### **Procedures and Findings**

As to the **Town of Cole** as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds (any fund whose revenues, expenditures or ending fund balance exceeds 10% of the Town's total revenues, expenditures or fund balances) listing separately each federal fund (see accompanying Exhibit 2) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

**Findings:** No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

7. **Procedures Performed:** We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Town has no reserve requirement, this procedure was not performed.

As to the **Cole Public Works Authority**, as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Authority's trial balances, we prepared a schedule of revenues, expenditures/expenses and changes in fund balances/net assets for each fund (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** We agreed the Authority's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.



6. **Procedures Performed:** We compared the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Authority has no reserve requirement, this procedure was not performed.

As to the **Town of Cole and Public Trust Grant Programs**, as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

**Findings:** No exceptions were found as a result of applying the procedure.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.

*Angel, Johnston + Blasingame, P.C.*

Angel, Johnston and Blasingame, P.C.  
November 20, 2014

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**SUMMARY OF CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balance</u>
<b>TOWN:</b>				
General Fund	\$ 217,931	\$ 119,736	\$ 32,842	\$ 304,826
Street & Alley Fund	66,993	5,514	0	72,507
<b>Town Subtotal</b>	<u>284,925</u>	<u>125,249</u>	<u>32,842</u>	<u>377,332</u>
<b>PUBLIC TRUST:</b>				
Cole Public Works Authority	175,494	65,178	90,148	150,524
<b>Public Trust Subtotal</b>	<u>175,494</u>	<u>65,178</u>	<u>90,148</u>	<u>150,524</u>
<b>Overall Totals</b>	<u>\$ 460,419</u>	<u>\$ 190,427</u>	<u>\$ 122,990</u>	<u>\$ 527,856</u>

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**GENERAL FUND**

For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 268,421	\$ 268,421	\$ 217,931	\$ (50,490)
<b>Charges for Services:</b>				
Fire Runs	1,800	1,800	-	(1,800)
Total Charges for Services	1,800	1,800	-	(1,800)
<b>Intergovernmental-Local:</b>				
Franchise tax	25,560	25,560	30,683	5,123
Total Intergovernmental-Local	25,560	25,560	30,683	5,123
<b>Intergovernmental-State:</b>				
Sales tax	13,590	13,590	20,576	6,986
Alcohol beverage tax	1,980	1,980	2,342	362
Use tax	2,160	2,160	6,714	4,554
Tobacco tax	180	180	234	54
State grants	4,032	4,032	4,474	442
Total Intergovernmental-State	21,942	21,942	34,340	12,398
<b>Intergovernmental-Federal:</b>				
Federal grants	-	-	-	-
Total Intergovernmental-State	-	-	-	-
<b>Miscellaneous Revenue:</b>				
Interest	405	405	422	17
Rental	765	765	900	135
Sale of Property	-	-	3,000	3,000
Donations	-	-	720	720
Miscellaneous	72	72	479	407
Total Miscellaneous Revenue	1,242	1,242	5,521	4,279
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	49,193	49,193
<b>Amounts available for appropriation</b>	<b>318,965</b>	<b>318,965</b>	<b>337,667</b>	<b>18,702</b>
<b>Charges to Appropriations:</b>				
Personal Services	6,500	6,500	13,741	(7,241)
Maintenance & Operations	34,000	34,000	17,214	16,786
Capital Outlay	60,000	60,000	1,887	58,113
Debt Service	-	-	-	-
Total Other	100,500	100,500	32,842	67,658
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	<b>100,500</b>	<b>100,500</b>	<b>32,842</b>	<b>67,658</b>
<b>Unallocated Fund Balance</b>	<b>218,465</b>	<b>218,465</b>	<b>-</b>	<b>218,465</b>
<b>Ending Budgetary Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 304,826</b>	<b>\$ 304,826</b>

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**STREET & ALLEY FUND**  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 66,993	\$ 66,993	\$ 66,993	\$ -
<b>Revenues</b>	-	-	5,514	5,514
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	-	-
<b>Amounts available for appropriation</b>	66,993	66,993	72,507	5,514
<b>Charges to Appropriations:</b>				
Personal Services	-	-	-	-
Maintenance & Operations	36,993	36,993	-	36,993
Capital Outlay	30,000	30,000	-	30,000
Debt Service	-	-	-	-
Total Other	66,993	66,993	-	66,993
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	66,993	66,993	-	66,993
<b>Unallocated Fund Balance</b>	-	-	-	-
<b>Ending Budgetary Fund Balance</b>	\$ -	\$ -	\$ 72,507	\$ 72,507

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**COLE PUBLIC WORKS AUTHORITY**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

**Operating Revenues:**

Charges for services:

Water Revenues	\$ 62,634
Water Taps	-
Total Operating Revenue	<u>62,634</u>

**Operating Expenses:**

Personal Services	-
Maintenance & Operations	<u>37,576</u>
Total Operating Expenses	<u>37,576</u>

Operating Income (Loss)	<u>25,058</u>
-------------------------	---------------

**Non-Operating Revenues (Expenses):**

Investment income	294
Miscellaneous income	-
Water Meter Deposits (Net)	871
Grant revenue	-
Capital outlay	<u>(2,000)</u>
Total Non-Operating Revenues (Expenses)	<u>(836)</u>

<b>Net Income (Loss) Before Contributions and Transfers</b>	<b>24,223</b>
---	---------------

Capital contributions	-
Operating Transfers in	-
Operating Transfers out	<u>(49,193)</u>
	(49,193)

<b>Changes in Fund Balance</b>	<b>(24,970)</b>
--------------------------------	-----------------

<b>Fund Balance - beginning</b>	<u>175,494</u>
---------------------------------	----------------

<b>Fund Balance - ending</b>	<u><u>\$ 150,524</u></u>
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**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**SCHEDULE OF GRANT ACTIVITY-MODIFIED CASH BASIS**  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<u>Award Amount</u>	<u>Prior Year(s) Receipts</u>	<u>Prior Year(s) Disbursements</u>	<u>Beginning of Year Unexpended Grant Funds</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Unexpended Grant Funds</u>
<b>TOWN:</b>							
Department of Agriculture Fire Operations Grant	\$ 4,474	\$ -	\$ -	\$ -	\$ 4,474	\$ 4,474	\$ -
<b>Town Subtotal</b>	<u>4,474</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,474</u>	<u>4,474</u>	<u>-</u>
<b>PUBLIC WORKS AUTHORITY:</b>							
Association of South Central Oklahoma Governments REAP-COLE-12	41,200	-	-	-	-	-	-
<b>PWA Subtotal</b>	<u>41,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Overall Totals</b>	<u>\$ 45,674</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,474</u>	<u>\$ 4,474</u>	<u>\$ -</u>

# **TOWN OF COLE**

June 30, 2014

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**Independent Accountant's Report  
On Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Council, Town of Cole  
Cole, Oklahoma

Trustees of the Cole Public Works Authority  
Cole, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

McClain County Clerk  
Purcell, Oklahoma

Association of South Central Oklahoma Governments  
Duncan, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balance-Modified Cash Basis of the Town of Cole and Public Trust, Cole, Oklahoma as of June 30, 2014 and the related Budgetary Comparison Schedule of General Fund-Modified Cash Basis, Budgetary Comparison Schedule of Street & Alley Fund-Modified Cash Basis, Statement of Revenues, Expenses and Changes in Fund Balance of Cole Public Works Authority-Modified Cash Basis, and Schedule of Grant Activity-Modified Cash Basis for the fiscal year ended June 30, 2014. The financial statements have been prepared in a format and basis of accounting as prescribed by Oklahoma statutes, that demonstrates compliance with the modified cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the modified cash basis and budget laws of the State of Oklahoma.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis and the requirements of Oklahoma Statutes and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions



about the Town's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Public Works Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2014. Management of the Town of Cole is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### **Procedures and Findings**

As to the **Town of Cole** as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds (any fund whose revenues, expenditures or ending fund balance exceeds 10% of the Town's total revenues, expenditures or fund balances) listing separately each federal fund (see accompanying Exhibit 2) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

**Findings:** No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

7. **Procedures Performed:** We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Town has no reserve requirement, this procedure was not performed.

As to the **Cole Public Works Authority**, as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Authority's trial balances, we prepared a schedule of revenues, expenditures/expenses and changes in fund balances/net assets for each fund (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** We agreed the Authority's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Authority has no reserve requirement, this procedure was not performed.

As to the **Town of Cole and Public Trust Grant Programs**, as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

**Findings:** No exceptions were found as a result of applying the procedure.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.

*Angel, Johnston + Blasingame, P.C.*

Angel, Johnston and Blasingame, P.C.  
November 20, 2014

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**SUMMARY OF CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balance</u>
<b>TOWN:</b>				
General Fund	\$ 217,931	\$ 119,736	\$ 32,842	\$ 304,826
Street & Alley Fund	66,993	5,514	0	72,507
<b>Town Subtotal</b>	<u>284,925</u>	<u>125,249</u>	<u>32,842</u>	<u>377,332</u>
<b>PUBLIC TRUST:</b>				
Cole Public Works Authority	175,494	65,178	90,148	150,524
<b>Public Trust Subtotal</b>	<u>175,494</u>	<u>65,178</u>	<u>90,148</u>	<u>150,524</u>
<b>Overall Totals</b>	<u>\$ 460,419</u>	<u>\$ 190,427</u>	<u>\$ 122,990</u>	<u>\$ 527,856</u>

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**GENERAL FUND**

For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 268,421	\$ 268,421	\$ 217,931	\$ (50,490)
<b>Charges for Services:</b>				
Fire Runs	1,800	1,800	-	(1,800)
Total Charges for Services	1,800	1,800	-	(1,800)
<b>Intergovernmental-Local:</b>				
Franchise tax	25,560	25,560	30,683	5,123
Total Intergovernmental-Local	25,560	25,560	30,683	5,123
<b>Intergovernmental-State:</b>				
Sales tax	13,590	13,590	20,576	6,986
Alcohol beverage tax	1,980	1,980	2,342	362
Use tax	2,160	2,160	6,714	4,554
Tobacco tax	180	180	234	54
State grants	4,032	4,032	4,474	442
Total Intergovernmental-State	21,942	21,942	34,340	12,398
<b>Intergovernmental-Federal:</b>				
Federal grants	-	-	-	-
Total Intergovernmental-State	-	-	-	-
<b>Miscellaneous Revenue:</b>				
Interest	405	405	422	17
Rental	765	765	900	135
Sale of Property	-	-	3,000	3,000
Donations	-	-	720	720
Miscellaneous	72	72	479	407
Total Miscellaneous Revenue	1,242	1,242	5,521	4,279
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	49,193	49,193
<b>Amounts available for appropriation</b>	<b>318,965</b>	<b>318,965</b>	<b>337,667</b>	<b>18,702</b>
<b>Charges to Appropriations:</b>				
Personal Services	6,500	6,500	13,741	(7,241)
Maintenance & Operations	34,000	34,000	17,214	16,786
Capital Outlay	60,000	60,000	1,887	58,113
Debt Service	-	-	-	-
Total Other	100,500	100,500	32,842	67,658
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	<b>100,500</b>	<b>100,500</b>	<b>32,842</b>	<b>67,658</b>
<b>Unallocated Fund Balance</b>	<b>218,465</b>	<b>218,465</b>	<b>-</b>	<b>218,465</b>
<b>Ending Budgetary Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 304,826</b>	<b>\$ 304,826</b>

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**STREET & ALLEY FUND**  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 66,993	\$ 66,993	\$ 66,993	\$ -
<b>Revenues</b>	-	-	5,514	5,514
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	-	-
<b>Amounts available for appropriation</b>	66,993	66,993	72,507	5,514
<b>Charges to Appropriations:</b>				
Personal Services	-	-	-	-
Maintenance & Operations	36,993	36,993	-	36,993
Capital Outlay	30,000	30,000	-	30,000
Debt Service	-	-	-	-
Total Other	66,993	66,993	-	66,993
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	66,993	66,993	-	66,993
<b>Unallocated Fund Balance</b>	-	-	-	-
<b>Ending Budgetary Fund Balance</b>	\$ -	\$ -	\$ 72,507	\$ 72,507

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**COLE PUBLIC WORKS AUTHORITY**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

**Operating Revenues:**

Charges for services:

Water Revenues	\$ 62,634
Water Taps	-
Total Operating Revenue	<u>62,634</u>

**Operating Expenses:**

Personal Services	-
Maintenance & Operations	<u>37,576</u>
Total Operating Expenses	<u>37,576</u>

Operating Income (Loss)	<u>25,058</u>
-------------------------	---------------

**Non-Operating Revenues (Expenses):**

Investment income	294
Miscellaneous income	-
Water Meter Deposits (Net)	871
Grant revenue	-
Capital outlay	<u>(2,000)</u>
Total Non-Operating Revenues (Expenses)	<u>(836)</u>

<b>Net Income (Loss) Before Contributions and Transfers</b>	24,223
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Capital contributions	-
Operating Transfers in	-
Operating Transfers out	<u>(49,193)</u>
	(49,193)

<b>Changes in Fund Balance</b>	(24,970)
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<b>Fund Balance - beginning</b>	<u>175,494</u>
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<b>Fund Balance - ending</b>	<u><u>\$ 150,524</u></u>
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**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**SCHEDULE OF GRANT ACTIVITY-MODIFIED CASH BASIS**  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<u>Award Amount</u>	<u>Prior Year(s) Receipts</u>	<u>Prior Year(s) Disbursements</u>	<u>Beginning of Year Unexpended Grant Funds</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Unexpended Grant Funds</u>
<b>TOWN:</b>							
Department of Agriculture Fire Operations Grant	\$ 4,474	\$ -	\$ -	\$ -	\$ 4,474	\$ 4,474	\$ -
<b>Town Subtotal</b>	<u>4,474</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,474</u>	<u>4,474</u>	<u>-</u>
<b>PUBLIC WORKS AUTHORITY:</b>							
Association of South Central Oklahoma Governments REAP-COLE-12	41,200	-	-	-	-	-	-
<b>PWA Subtotal</b>	<u>41,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Overall Totals</b>	<u>\$ 45,674</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,474</u>	<u>\$ 4,474</u>	<u>\$ -</u>



# **TOWN OF COLE**

June 30, 2014

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**Independent Accountant's Report  
On Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Council, Town of Cole  
Cole, Oklahoma

Trustees of the Cole Public Works Authority  
Cole, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

McClain County Clerk  
Purcell, Oklahoma

Association of South Central Oklahoma Governments  
Duncan, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balance-Modified Cash Basis of the Town of Cole and Public Trust, Cole, Oklahoma as of June 30, 2014 and the related Budgetary Comparison Schedule of General Fund-Modified Cash Basis, Budgetary Comparison Schedule of Street & Alley Fund-Modified Cash Basis, Statement of Revenues, Expenses and Changes in Fund Balance of Cole Public Works Authority-Modified Cash Basis, and Schedule of Grant Activity-Modified Cash Basis for the fiscal year ended June 30, 2014. The financial statements have been prepared in a format and basis of accounting as prescribed by Oklahoma statutes, that demonstrates compliance with the modified cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the modified cash basis and budget laws of the State of Oklahoma.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis and the requirements of Oklahoma Statutes and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions

about the Town's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Public Works Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2014. Management of the Town of Cole is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### **Procedures and Findings**

As to the **Town of Cole** as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds (any fund whose revenues, expenditures or ending fund balance exceeds 10% of the Towns total revenues, expenditures or fund balances) listing separately each federal fund (see accompanying Exhibit 2) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

**Findings:** No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

7. **Procedures Performed:** We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Town has no reserve requirement, this procedure was not performed.

As to the **Cole Public Works Authority**, as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Authority's trial balances, we prepared a schedule of revenues, expenditures/expenses and changes in fund balances/net assets for each fund (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** We agreed the Authority's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

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**Findings:** No exceptions were found as a result of applying the procedure.

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**Findings:** The Authority has no reserve requirement, this procedure was not performed.

As to the **Town of Cole and Public Trust Grant Programs**, as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

**Findings:** No exceptions were found as a result of applying the procedure.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.

*Angel, Johnston + Blasingame, P.C.*

Angel, Johnston and Blasingame, P.C.  
November 20, 2014

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**SUMMARY OF CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balance</u>
<b>TOWN:</b>				
General Fund	\$ 217,931	\$ 119,736	\$ 32,842	\$ 304,826
Street & Alley Fund	66,993	5,514	0	72,507
<b>Town Subtotal</b>	<u>284,925</u>	<u>125,249</u>	<u>32,842</u>	<u>377,332</u>
<b>PUBLIC TRUST:</b>				
Cole Public Works Authority	175,494	65,178	90,148	150,524
<b>Public Trust Subtotal</b>	<u>175,494</u>	<u>65,178</u>	<u>90,148</u>	<u>150,524</u>
<b>Overall Totals</b>	<u>\$ 460,419</u>	<u>\$ 190,427</u>	<u>\$ 122,990</u>	<u>\$ 527,856</u>

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**GENERAL FUND**

For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 268,421	\$ 268,421	\$ 217,931	\$ (50,490)
<b>Charges for Services:</b>				
Fire Runs	1,800	1,800	-	(1,800)
Total Charges for Services	1,800	1,800	-	(1,800)
<b>Intergovernmental-Local:</b>				
Franchise tax	25,560	25,560	30,683	5,123
Total Intergovernmental-Local	25,560	25,560	30,683	5,123
<b>Intergovernmental-State:</b>				
Sales tax	13,590	13,590	20,576	6,986
Alcohol beverage tax	1,980	1,980	2,342	362
Use tax	2,160	2,160	6,714	4,554
Tobacco tax	180	180	234	54
State grants	4,032	4,032	4,474	442
Total Intergovernmental-State	21,942	21,942	34,340	12,398
<b>Intergovernmental-Federal:</b>				
Federal grants	-	-	-	-
Total Intergovernmental-State	-	-	-	-
<b>Miscellaneous Revenue:</b>				
Interest	405	405	422	17
Rental	765	765	900	135
Sale of Property	-	-	3,000	3,000
Donations	-	-	720	720
Miscellaneous	72	72	479	407
Total Miscellaneous Revenue	1,242	1,242	5,521	4,279
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	49,193	49,193
<b>Amounts available for appropriation</b>	<b>318,965</b>	<b>318,965</b>	<b>337,667</b>	<b>18,702</b>
<b>Charges to Appropriations:</b>				
Personal Services	6,500	6,500	13,741	(7,241)
Maintenance & Operations	34,000	34,000	17,214	16,786
Capital Outlay	60,000	60,000	1,887	58,113
Debt Service	-	-	-	-
Total Other	100,500	100,500	32,842	67,658
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	<b>100,500</b>	<b>100,500</b>	<b>32,842</b>	<b>67,658</b>
<b>Unallocated Fund Balance</b>	<b>218,465</b>	<b>218,465</b>	<b>-</b>	<b>218,465</b>
<b>Ending Budgetary Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 304,826</b>	<b>\$ 304,826</b>

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**STREET & ALLEY FUND**  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 66,993	\$ 66,993	\$ 66,993	\$ -
<b>Revenues</b>	-	-	5,514	5,514
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	-	-
<b>Amounts available for appropriation</b>	66,993	66,993	72,507	5,514
<b>Charges to Appropriations:</b>				
Personal Services	-	-	-	-
Maintenance & Operations	36,993	36,993	-	36,993
Capital Outlay	30,000	30,000	-	30,000
Debt Service	-	-	-	-
Total Other	66,993	66,993	-	66,993
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	66,993	66,993	-	66,993
<b>Unallocated Fund Balance</b>	-	-	-	-
<b>Ending Budgetary Fund Balance</b>	\$ -	\$ -	\$ 72,507	\$ 72,507



**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**COLE PUBLIC WORKS AUTHORITY**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

**Operating Revenues:**

Charges for services:

Water Revenues	\$ 62,634
Water Taps	-
Total Operating Revenue	<u>62,634</u>

**Operating Expenses:**

Personal Services	-
Maintenance & Operations	<u>37,576</u>
Total Operating Expenses	<u>37,576</u>

Operating Income (Loss)	<u>25,058</u>
-------------------------	---------------

**Non-Operating Revenues (Expenses):**

Investment income	294
Miscellaneous income	-
Water Meter Deposits (Net)	871
Grant revenue	-
Capital outlay	<u>(2,000)</u>
Total Non-Operating Revenues (Expenses)	<u>(836)</u>

<b>Net Income (Loss) Before Contributions and Transfers</b>	<b>24,223</b>
---	---------------

Capital contributions	-
Operating Transfers in	-
Operating Transfers out	<u>(49,193)</u>
	(49,193)

<b>Changes in Fund Balance</b>	<b>(24,970)</b>
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<b>Fund Balance - beginning</b>	<u>175,494</u>
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<b>Fund Balance - ending</b>	<u><u>\$ 150,524</u></u>
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**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**SCHEDULE OF GRANT ACTIVITY-MODIFIED CASH BASIS**  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<u>Award Amount</u>	<u>Prior Year(s) Receipts</u>	<u>Prior Year(s) Disbursements</u>	<u>Beginning of Year Unexpended Grant Funds</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Unexpended Grant Funds</u>
<b>TOWN:</b>							
Department of Agriculture Fire Operations Grant	\$ 4,474	\$ -	\$ -	\$ -	\$ 4,474	\$ 4,474	\$ -
<b>Town Subtotal</b>	<u>4,474</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,474</u>	<u>4,474</u>	<u>-</u>
<b>PUBLIC WORKS AUTHORITY:</b>							
Association of South Central Oklahoma Governments REAP-COLE-12	41,200	-	-	-	-	-	-
<b>PWA Subtotal</b>	<u>41,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Overall Totals</b>	<u>\$ 45,674</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,474</u>	<u>\$ 4,474</u>	<u>\$ -</u>

# **TOWN OF COLE**

June 30, 2014

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Schedule of Grant Activity -Modified Cash Basis	9

**Independent Accountant's Report  
On Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Council, Town of Cole  
Cole, Oklahoma

Trustees of the Cole Public Works Authority  
Cole, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

McClain County Clerk  
Purcell, Oklahoma

Association of South Central Oklahoma Governments  
Duncan, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balance-Modified Cash Basis of the Town of Cole and Public Trust, Cole, Oklahoma as of June 30, 2014 and the related Budgetary Comparison Schedule of General Fund-Modified Cash Basis, Budgetary Comparison Schedule of Street & Alley Fund-Modified Cash Basis, Statement of Revenues, Expenses and Changes in Fund Balance of Cole Public Works Authority-Modified Cash Basis, and Schedule of Grant Activity-Modified Cash Basis for the fiscal year ended June 30, 2014. The financial statements have been prepared in a format and basis of accounting as prescribed by Oklahoma statutes, that demonstrates compliance with the modified cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the modified cash basis and budget laws of the State of Oklahoma.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis and the requirements of Oklahoma Statutes and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions

about the Town's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Public Works Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2014. Management of the Town of Cole is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### **Procedures and Findings**

As to the **Town of Cole** as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds (any fund whose revenues, expenditures or ending fund balance exceeds 10% of the Town's total revenues, expenditures or fund balances) listing separately each federal fund (see accompanying Exhibit 2) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

**Findings:** No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

7. **Procedures Performed:** We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Town has no reserve requirement, this procedure was not performed.

As to the **Cole Public Works Authority**, as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Authority's trial balances, we prepared a schedule of revenues, expenditures/expenses and changes in fund balances/net assets for each fund (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** We agreed the Authority's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Authority has no reserve requirement, this procedure was not performed.

As to the **Town of Cole and Public Trust Grant Programs**, as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

**Findings:** No exceptions were found as a result of applying the procedure.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.

*Angel, Johnston + Blasingame, P.C.*

Angel, Johnston and Blasingame, P.C.  
November 20, 2014

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**SUMMARY OF CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balance</u>
<b>TOWN:</b>				
General Fund	\$ 217,931	\$ 119,736	\$ 32,842	\$ 304,826
Street & Alley Fund	66,993	5,514	0	72,507
<b>Town Subtotal</b>	<u>284,925</u>	<u>125,249</u>	<u>32,842</u>	<u>377,332</u>
<b>PUBLIC TRUST:</b>				
Cole Public Works Authority	175,494	65,178	90,148	150,524
<b>Public Trust Subtotal</b>	<u>175,494</u>	<u>65,178</u>	<u>90,148</u>	<u>150,524</u>
<b>Overall Totals</b>	<u>\$ 460,419</u>	<u>\$ 190,427</u>	<u>\$ 122,990</u>	<u>\$ 527,856</u>



**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**GENERAL FUND**

For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 268,421	\$ 268,421	\$ 217,931	\$ (50,490)
<b>Charges for Services:</b>				
Fire Runs	1,800	1,800	-	(1,800)
Total Charges for Services	1,800	1,800	-	(1,800)
<b>Intergovernmental-Local:</b>				
Franchise tax	25,560	25,560	30,683	5,123
Total Intergovernmental-Local	25,560	25,560	30,683	5,123
<b>Intergovernmental-State:</b>				
Sales tax	13,590	13,590	20,576	6,986
Alcohol beverage tax	1,980	1,980	2,342	362
Use tax	2,160	2,160	6,714	4,554
Tobacco tax	180	180	234	54
State grants	4,032	4,032	4,474	442
Total Intergovernmental-State	21,942	21,942	34,340	12,398
<b>Intergovernmental-Federal:</b>				
Federal grants	-	-	-	-
Total Intergovernmental-State	-	-	-	-
<b>Miscellaneous Revenue:</b>				
Interest	405	405	422	17
Rental	765	765	900	135
Sale of Property	-	-	3,000	3,000
Donations	-	-	720	720
Miscellaneous	72	72	479	407
Total Miscellaneous Revenue	1,242	1,242	5,521	4,279
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	49,193	49,193
<b>Amounts available for appropriation</b>	<b>318,965</b>	<b>318,965</b>	<b>337,667</b>	<b>18,702</b>
<b>Charges to Appropriations:</b>				
Personal Services	6,500	6,500	13,741	(7,241)
Maintenance & Operations	34,000	34,000	17,214	16,786
Capital Outlay	60,000	60,000	1,887	58,113
Debt Service	-	-	-	-
Total Other	100,500	100,500	32,842	67,658
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	<b>100,500</b>	<b>100,500</b>	<b>32,842</b>	<b>67,658</b>
<b>Unallocated Fund Balance</b>	<b>218,465</b>	<b>218,465</b>	<b>-</b>	<b>218,465</b>
<b>Ending Budgetary Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 304,826</b>	<b>\$ 304,826</b>

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**STREET & ALLEY FUND**  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 66,993	\$ 66,993	\$ 66,993	\$ -
<b>Revenues</b>	-	-	5,514	5,514
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	-	-
<b>Amounts available for appropriation</b>	66,993	66,993	72,507	5,514
<b>Charges to Appropriations:</b>				
Personal Services	-	-	-	-
Maintenance & Operations	36,993	36,993	-	36,993
Capital Outlay	30,000	30,000	-	30,000
Debt Service	-	-	-	-
Total Other	66,993	66,993	-	66,993
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	66,993	66,993	-	66,993
<b>Unallocated Fund Balance</b>	-	-	-	-
<b>Ending Budgetary Fund Balance</b>	\$ -	\$ -	\$ 72,507	\$ 72,507

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**COLE PUBLIC WORKS AUTHORITY**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

**Operating Revenues:**

Charges for services:

Water Revenues	\$ 62,634
Water Taps	-
Total Operating Revenue	<u>62,634</u>

**Operating Expenses:**

Personal Services	-
Maintenance & Operations	<u>37,576</u>
Total Operating Expenses	<u>37,576</u>

Operating Income (Loss)	<u>25,058</u>
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**Non-Operating Revenues (Expenses):**

Investment income	294
Miscellaneous income	-
Water Meter Deposits (Net)	871
Grant revenue	-
Capital outlay	<u>(2,000)</u>
Total Non-Operating Revenues (Expenses)	<u>(836)</u>

<b>Net Income (Loss) Before Contributions and Transfers</b>	<b>24,223</b>
---	---------------

Capital contributions	-
Operating Transfers in	-
Operating Transfers out	<u>(49,193)</u>
	(49,193)

<b>Changes in Fund Balance</b>	<b>(24,970)</b>
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<b>Fund Balance - beginning</b>	<u>175,494</u>
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<b>Fund Balance - ending</b>	<u><u>\$ 150,524</u></u>
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**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**SCHEDULE OF GRANT ACTIVITY-MODIFIED CASH BASIS**  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<u>Award Amount</u>	<u>Prior Year(s) Receipts</u>	<u>Prior Year(s) Disbursements</u>	<u>Beginning of Year Unexpended Grant Funds</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Unexpended Grant Funds</u>
<b>TOWN:</b>							
Department of Agriculture Fire Operations Grant	\$ 4,474	\$ -	\$ -	\$ -	\$ 4,474	\$ 4,474	\$ -
<b>Town Subtotal</b>	<u>4,474</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,474</u>	<u>4,474</u>	<u>-</u>
<b>PUBLIC WORKS AUTHORITY:</b>							
Association of South Central Oklahoma Governments REAP-COLE-12	41,200	-	-	-	-	-	-
<b>PWA Subtotal</b>	<u>41,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Overall Totals</b>	<u>\$ 45,674</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,474</u>	<u>\$ 4,474</u>	<u>\$ -</u>

# **TOWN OF COLE**

June 30, 2014

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**Independent Accountant's Report  
On Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Council, Town of Cole  
Cole, Oklahoma

Trustees of the Cole Public Works Authority  
Cole, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

McClain County Clerk  
Purcell, Oklahoma

Association of South Central Oklahoma Governments  
Duncan, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balance-Modified Cash Basis of the Town of Cole and Public Trust, Cole, Oklahoma as of June 30, 2014 and the related Budgetary Comparison Schedule of General Fund-Modified Cash Basis, Budgetary Comparison Schedule of Street & Alley Fund-Modified Cash Basis, Statement of Revenues, Expenses and Changes in Fund Balance of Cole Public Works Authority-Modified Cash Basis, and Schedule of Grant Activity-Modified Cash Basis for the fiscal year ended June 30, 2014. The financial statements have been prepared in a format and basis of accounting as prescribed by Oklahoma statutes, that demonstrates compliance with the modified cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the modified cash basis and budget laws of the State of Oklahoma.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis and the requirements of Oklahoma Statutes and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions

about the Town's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Public Works Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2014. Management of the Town of Cole is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### **Procedures and Findings**

As to the **Town of Cole** as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds (any fund whose revenues, expenditures or ending fund balance exceeds 10% of the Town's total revenues, expenditures or fund balances) listing separately each federal fund (see accompanying Exhibit 2) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

**Findings:** No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

7. **Procedures Performed:** We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Town has no reserve requirement, this procedure was not performed.

As to the **Cole Public Works Authority**, as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Authority's trial balances, we prepared a schedule of revenues, expenditures/expenses and changes in fund balances/net assets for each fund (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

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**Findings:** No exceptions were found as a result of applying the procedure.



6. **Procedures Performed:** We compared the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Authority has no reserve requirement, this procedure was not performed.

As to the **Town of Cole and Public Trust Grant Programs**, as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

**Findings:** No exceptions were found as a result of applying the procedure.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.

*Angel, Johnston + Blasingame, P.C.*

Angel, Johnston and Blasingame, P.C.  
November 20, 2014

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**SUMMARY OF CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balance</u>
<b>TOWN:</b>				
General Fund	\$ 217,931	\$ 119,736	\$ 32,842	\$ 304,826
Street & Alley Fund	66,993	5,514	0	72,507
<b>Town Subtotal</b>	<u>284,925</u>	<u>125,249</u>	<u>32,842</u>	<u>377,332</u>
<b>PUBLIC TRUST:</b>				
Cole Public Works Authority	175,494	65,178	90,148	150,524
<b>Public Trust Subtotal</b>	<u>175,494</u>	<u>65,178</u>	<u>90,148</u>	<u>150,524</u>
<b>Overall Totals</b>	<u>\$ 460,419</u>	<u>\$ 190,427</u>	<u>\$ 122,990</u>	<u>\$ 527,856</u>

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**GENERAL FUND**

For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 268,421	\$ 268,421	\$ 217,931	\$ (50,490)
<b>Charges for Services:</b>				
Fire Runs	1,800	1,800	-	(1,800)
Total Charges for Services	1,800	1,800	-	(1,800)
<b>Intergovernmental-Local:</b>				
Franchise tax	25,560	25,560	30,683	5,123
Total Intergovernmental-Local	25,560	25,560	30,683	5,123
<b>Intergovernmental-State:</b>				
Sales tax	13,590	13,590	20,576	6,986
Alcohol beverage tax	1,980	1,980	2,342	362
Use tax	2,160	2,160	6,714	4,554
Tobacco tax	180	180	234	54
State grants	4,032	4,032	4,474	442
Total Intergovernmental-State	21,942	21,942	34,340	12,398
<b>Intergovernmental-Federal:</b>				
Federal grants	-	-	-	-
Total Intergovernmental-State	-	-	-	-
<b>Miscellaneous Revenue:</b>				
Interest	405	405	422	17
Rental	765	765	900	135
Sale of Property	-	-	3,000	3,000
Donations	-	-	720	720
Miscellaneous	72	72	479	407
Total Miscellaneous Revenue	1,242	1,242	5,521	4,279
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	49,193	49,193
<b>Amounts available for appropriation</b>	<b>318,965</b>	<b>318,965</b>	<b>337,667</b>	<b>18,702</b>
<b>Charges to Appropriations:</b>				
Personal Services	6,500	6,500	13,741	(7,241)
Maintenance & Operations	34,000	34,000	17,214	16,786
Capital Outlay	60,000	60,000	1,887	58,113
Debt Service	-	-	-	-
Total Other	100,500	100,500	32,842	67,658
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	<b>100,500</b>	<b>100,500</b>	<b>32,842</b>	<b>67,658</b>
<b>Unallocated Fund Balance</b>	<b>218,465</b>	<b>218,465</b>	<b>-</b>	<b>218,465</b>
<b>Ending Budgetary Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 304,826</b>	<b>\$ 304,826</b>

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**STREET & ALLEY FUND**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 66,993	\$ 66,993	\$ 66,993	\$ -
<b>Revenues</b>	-	-	5,514	5,514
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	-	-
<b>Amounts available for appropriation</b>	66,993	66,993	72,507	5,514
<b>Charges to Appropriations:</b>				
Personal Services	-	-	-	-
Maintenance & Operations	36,993	36,993	-	36,993
Capital Outlay	30,000	30,000	-	30,000
Debt Service	-	-	-	-
Total Other	66,993	66,993	-	66,993
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	66,993	66,993	-	66,993
<b>Unallocated Fund Balance</b>	-	-	-	-
<b>Ending Budgetary Fund Balance</b>	\$ -	\$ -	\$ 72,507	\$ 72,507

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**COLE PUBLIC WORKS AUTHORITY**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

**Operating Revenues:**

Charges for services:

Water Revenues	\$ 62,634
Water Taps	-
Total Operating Revenue	<u>62,634</u>

**Operating Expenses:**

Personal Services	-
Maintenance & Operations	<u>37,576</u>
Total Operating Expenses	<u>37,576</u>

Operating Income (Loss)	<u>25,058</u>
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**Non-Operating Revenues (Expenses):**

Investment income	294
Miscellaneous income	-
Water Meter Deposits (Net)	871
Grant revenue	-
Capital outlay	<u>(2,000)</u>
Total Non-Operating Revenues (Expenses)	<u>(836)</u>

<b>Net Income (Loss) Before Contributions and Transfers</b>	<b>24,223</b>
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Capital contributions	-
Operating Transfers in	-
Operating Transfers out	<u>(49,193)</u>
	(49,193)

<b>Changes in Fund Balance</b>	<b>(24,970)</b>
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<b>Fund Balance - beginning</b>	<u>175,494</u>
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<b>Fund Balance - ending</b>	<u><u>\$ 150,524</u></u>
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**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**SCHEDULE OF GRANT ACTIVITY-MODIFIED CASH BASIS**  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<u>Award Amount</u>	<u>Prior Year(s) Receipts</u>	<u>Prior Year(s) Disbursements</u>	<u>Beginning of Year Unexpended Grant Funds</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Unexpended Grant Funds</u>
<b>TOWN:</b>							
Department of Agriculture Fire Operations Grant	\$ 4,474	\$ -	\$ -	\$ -	\$ 4,474	\$ 4,474	\$ -
<b>Town Subtotal</b>	<u>4,474</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,474</u>	<u>4,474</u>	<u>-</u>
<b>PUBLIC WORKS AUTHORITY:</b>							
Association of South Central Oklahoma Governments REAP-COLE-12	41,200	-	-	-	-	-	-
<b>PWA Subtotal</b>	<u>41,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Overall Totals</b>	<u>\$ 45,674</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,474</u>	<u>\$ 4,474</u>	<u>\$ -</u>

# **TOWN OF COLE**

June 30, 2014

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**Independent Accountant's Report  
On Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Council, Town of Cole  
Cole, Oklahoma

Trustees of the Cole Public Works Authority  
Cole, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

McClain County Clerk  
Purcell, Oklahoma

Association of South Central Oklahoma Governments  
Duncan, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balance-Modified Cash Basis of the Town of Cole and Public Trust, Cole, Oklahoma as of June 30, 2014 and the related Budgetary Comparison Schedule of General Fund-Modified Cash Basis, Budgetary Comparison Schedule of Street & Alley Fund-Modified Cash Basis, Statement of Revenues, Expenses and Changes in Fund Balance of Cole Public Works Authority-Modified Cash Basis, and Schedule of Grant Activity-Modified Cash Basis for the fiscal year ended June 30, 2014. The financial statements have been prepared in a format and basis of accounting as prescribed by Oklahoma statutes, that demonstrates compliance with the modified cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the modified cash basis and budget laws of the State of Oklahoma.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis and the requirements of Oklahoma Statutes and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions



about the Town's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Public Works Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2014. Management of the Town of Cole is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### **Procedures and Findings**

As to the **Town of Cole** as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds (any fund whose revenues, expenditures or ending fund balance exceeds 10% of the Town's total revenues, expenditures or fund balances) listing separately each federal fund (see accompanying Exhibit 2) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

**Findings:** No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

7. **Procedures Performed:** We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Town has no reserve requirement, this procedure was not performed.

As to the **Cole Public Works Authority**, as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Authority's trial balances, we prepared a schedule of revenues, expenditures/expenses and changes in fund balances/net assets for each fund (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** We agreed the Authority's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Authority has no reserve requirement, this procedure was not performed.

As to the **Town of Cole and Public Trust Grant Programs**, as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

**Findings:** No exceptions were found as a result of applying the procedure.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.

*Angel, Johnston + Blasingame, P.C.*

Angel, Johnston and Blasingame, P.C.  
November 20, 2014

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**SUMMARY OF CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balance</u>
<b>TOWN:</b>				
General Fund	\$ 217,931	\$ 119,736	\$ 32,842	\$ 304,826
Street & Alley Fund	66,993	5,514	0	72,507
<b>Town Subtotal</b>	<u>284,925</u>	<u>125,249</u>	<u>32,842</u>	<u>377,332</u>
<b>PUBLIC TRUST:</b>				
Cole Public Works Authority	175,494	65,178	90,148	150,524
<b>Public Trust Subtotal</b>	<u>175,494</u>	<u>65,178</u>	<u>90,148</u>	<u>150,524</u>
<b>Overall Totals</b>	<u>\$ 460,419</u>	<u>\$ 190,427</u>	<u>\$ 122,990</u>	<u>\$ 527,856</u>

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**GENERAL FUND**

For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 268,421	\$ 268,421	\$ 217,931	\$ (50,490)
<b>Charges for Services:</b>				
Fire Runs	1,800	1,800	-	(1,800)
Total Charges for Services	1,800	1,800	-	(1,800)
<b>Intergovernmental-Local:</b>				
Franchise tax	25,560	25,560	30,683	5,123
Total Intergovernmental-Local	25,560	25,560	30,683	5,123
<b>Intergovernmental-State:</b>				
Sales tax	13,590	13,590	20,576	6,986
Alcohol beverage tax	1,980	1,980	2,342	362
Use tax	2,160	2,160	6,714	4,554
Tobacco tax	180	180	234	54
State grants	4,032	4,032	4,474	442
Total Intergovernmental-State	21,942	21,942	34,340	12,398
<b>Intergovernmental-Federal:</b>				
Federal grants	-	-	-	-
Total Intergovernmental-State	-	-	-	-
<b>Miscellaneous Revenue:</b>				
Interest	405	405	422	17
Rental	765	765	900	135
Sale of Property	-	-	3,000	3,000
Donations	-	-	720	720
Miscellaneous	72	72	479	407
Total Miscellaneous Revenue	1,242	1,242	5,521	4,279
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	49,193	49,193
<b>Amounts available for appropriation</b>	<b>318,965</b>	<b>318,965</b>	<b>337,667</b>	<b>18,702</b>
<b>Charges to Appropriations:</b>				
Personal Services	6,500	6,500	13,741	(7,241)
Maintenance & Operations	34,000	34,000	17,214	16,786
Capital Outlay	60,000	60,000	1,887	58,113
Debt Service	-	-	-	-
Total Other	100,500	100,500	32,842	67,658
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	<b>100,500</b>	<b>100,500</b>	<b>32,842</b>	<b>67,658</b>
<b>Unallocated Fund Balance</b>	<b>218,465</b>	<b>218,465</b>	<b>-</b>	<b>218,465</b>
<b>Ending Budgetary Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 304,826</b>	<b>\$ 304,826</b>

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**STREET & ALLEY FUND**  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 66,993	\$ 66,993	\$ 66,993	\$ -
<b>Revenues</b>	-	-	5,514	5,514
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	-	-
<b>Amounts available for appropriation</b>	66,993	66,993	72,507	5,514
<b>Charges to Appropriations:</b>				
Personal Services	-	-	-	-
Maintenance & Operations	36,993	36,993	-	36,993
Capital Outlay	30,000	30,000	-	30,000
Debt Service	-	-	-	-
Total Other	66,993	66,993	-	66,993
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	66,993	66,993	-	66,993
<b>Unallocated Fund Balance</b>	-	-	-	-
<b>Ending Budgetary Fund Balance</b>	\$ -	\$ -	\$ 72,507	\$ 72,507

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**COLE PUBLIC WORKS AUTHORITY**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

**Operating Revenues:**

Charges for services:

Water Revenues	\$ 62,634
Water Taps	-
Total Operating Revenue	<u>62,634</u>

**Operating Expenses:**

Personal Services	-
Maintenance & Operations	<u>37,576</u>
Total Operating Expenses	<u>37,576</u>

Operating Income (Loss)	<u>25,058</u>
-------------------------	---------------

**Non-Operating Revenues (Expenses):**

Investment income	294
Miscellaneous income	-
Water Meter Deposits (Net)	871
Grant revenue	-
Capital outlay	<u>(2,000)</u>
Total Non-Operating Revenues (Expenses)	<u>(836)</u>

<b>Net Income (Loss) Before Contributions and Transfers</b>	<b>24,223</b>
---	---------------

Capital contributions	-
Operating Transfers in	-
Operating Transfers out	<u>(49,193)</u>
	<u>(49,193)</u>

<b>Changes in Fund Balance</b>	<b>(24,970)</b>
--------------------------------	-----------------

<b>Fund Balance - beginning</b>	<u>175,494</u>
---------------------------------	----------------

<b>Fund Balance - ending</b>	<u><u>\$ 150,524</u></u>
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**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**SCHEDULE OF GRANT ACTIVITY-MODIFIED CASH BASIS**  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<u>Award Amount</u>	<u>Prior Year(s) Receipts</u>	<u>Prior Year(s) Disbursements</u>	<u>Beginning of Year Unexpended Grant Funds</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Unexpended Grant Funds</u>
<b>TOWN:</b>							
Department of Agriculture Fire Operations Grant	\$ 4,474	\$ -	\$ -	\$ -	\$ 4,474	\$ 4,474	\$ -
<b>Town Subtotal</b>	<u>4,474</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,474</u>	<u>4,474</u>	<u>-</u>
<b>PUBLIC WORKS AUTHORITY:</b>							
Association of South Central Oklahoma Governments REAP-COLE-12	41,200	-	-	-	-	-	-
<b>PWA Subtotal</b>	<u>41,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Overall Totals</b>	<u>\$ 45,674</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,474</u>	<u>\$ 4,474</u>	<u>\$ -</u>



# **TOWN OF COLE**

June 30, 2014

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**Independent Accountant's Report  
On Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Council, Town of Cole  
Cole, Oklahoma

Trustees of the Cole Public Works Authority  
Cole, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

McClain County Clerk  
Purcell, Oklahoma

Association of South Central Oklahoma Governments  
Duncan, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balance-Modified Cash Basis of the Town of Cole and Public Trust, Cole, Oklahoma as of June 30, 2014 and the related Budgetary Comparison Schedule of General Fund-Modified Cash Basis, Budgetary Comparison Schedule of Street & Alley Fund-Modified Cash Basis, Statement of Revenues, Expenses and Changes in Fund Balance of Cole Public Works Authority-Modified Cash Basis, and Schedule of Grant Activity-Modified Cash Basis for the fiscal year ended June 30, 2014. The financial statements have been prepared in a format and basis of accounting as prescribed by Oklahoma statutes, that demonstrates compliance with the modified cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the modified cash basis and budget laws of the State of Oklahoma.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis and the requirements of Oklahoma Statutes and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions

about the Town's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Public Works Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2014. Management of the Town of Cole is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### **Procedures and Findings**

As to the **Town of Cole** as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds (any fund whose revenues, expenditures or ending fund balance exceeds 10% of the Town's total revenues, expenditures or fund balances) listing separately each federal fund (see accompanying Exhibit 2) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

**Findings:** No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

7. **Procedures Performed:** We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Town has no reserve requirement, this procedure was not performed.

As to the **Cole Public Works Authority**, as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Authority's trial balances, we prepared a schedule of revenues, expenditures/expenses and changes in fund balances/net assets for each fund (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** We agreed the Authority's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Authority has no reserve requirement, this procedure was not performed.

As to the **Town of Cole and Public Trust Grant Programs**, as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

**Findings:** No exceptions were found as a result of applying the procedure.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.

*Angel, Johnston + Blasingame, P.C.*

Angel, Johnston and Blasingame, P.C.  
November 20, 2014

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**SUMMARY OF CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balance</u>
<b>TOWN:</b>				
General Fund	\$ 217,931	\$ 119,736	\$ 32,842	\$ 304,826
Street & Alley Fund	66,993	5,514	0	72,507
<b>Town Subtotal</b>	<u>284,925</u>	<u>125,249</u>	<u>32,842</u>	<u>377,332</u>
<b>PUBLIC TRUST:</b>				
Cole Public Works Authority	175,494	65,178	90,148	150,524
<b>Public Trust Subtotal</b>	<u>175,494</u>	<u>65,178</u>	<u>90,148</u>	<u>150,524</u>
<b>Overall Totals</b>	<u>\$ 460,419</u>	<u>\$ 190,427</u>	<u>\$ 122,990</u>	<u>\$ 527,856</u>

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**GENERAL FUND**

For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 268,421	\$ 268,421	\$ 217,931	\$ (50,490)
<b>Charges for Services:</b>				
Fire Runs	1,800	1,800	-	(1,800)
Total Charges for Services	1,800	1,800	-	(1,800)
<b>Intergovernmental-Local:</b>				
Franchise tax	25,560	25,560	30,683	5,123
Total Intergovernmental-Local	25,560	25,560	30,683	5,123
<b>Intergovernmental-State:</b>				
Sales tax	13,590	13,590	20,576	6,986
Alcohol beverage tax	1,980	1,980	2,342	362
Use tax	2,160	2,160	6,714	4,554
Tobacco tax	180	180	234	54
State grants	4,032	4,032	4,474	442
Total Intergovernmental-State	21,942	21,942	34,340	12,398
<b>Intergovernmental-Federal:</b>				
Federal grants	-	-	-	-
Total Intergovernmental-State	-	-	-	-
<b>Miscellaneous Revenue:</b>				
Interest	405	405	422	17
Rental	765	765	900	135
Sale of Property	-	-	3,000	3,000
Donations	-	-	720	720
Miscellaneous	72	72	479	407
Total Miscellaneous Revenue	1,242	1,242	5,521	4,279
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	49,193	49,193
<b>Amounts available for appropriation</b>	<b>318,965</b>	<b>318,965</b>	<b>337,667</b>	<b>18,702</b>
<b>Charges to Appropriations:</b>				
Personal Services	6,500	6,500	13,741	(7,241)
Maintenance & Operations	34,000	34,000	17,214	16,786
Capital Outlay	60,000	60,000	1,887	58,113
Debt Service	-	-	-	-
Total Other	100,500	100,500	32,842	67,658
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	<b>100,500</b>	<b>100,500</b>	<b>32,842</b>	<b>67,658</b>
<b>Unallocated Fund Balance</b>	<b>218,465</b>	<b>218,465</b>	<b>-</b>	<b>218,465</b>
<b>Ending Budgetary Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 304,826</b>	<b>\$ 304,826</b>

**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS**  
**STREET & ALLEY FUND**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Beginning Budgetary Fund Balance:</b>	\$ 66,993	\$ 66,993	\$ 66,993	\$ -
<b>Revenues</b>	-	-	5,514	5,514
<b>Non-Revenue Receipts:</b>				
Transfers from other funds	-	-	-	-
<b>Amounts available for appropriation</b>	66,993	66,993	72,507	5,514
<b>Charges to Appropriations:</b>				
Personal Services	-	-	-	-
Maintenance & Operations	36,993	36,993	-	36,993
Capital Outlay	30,000	30,000	-	30,000
Debt Service	-	-	-	-
Total Other	66,993	66,993	-	66,993
<b>Other Financing Uses:</b>				
Transfers to other funds	-	-	-	-
<b>Total Charges to Appropriations</b>	66,993	66,993	-	66,993
<b>Unallocated Fund Balance</b>	-	-	-	-
<b>Ending Budgetary Fund Balance</b>	\$ -	\$ -	\$ 72,507	\$ 72,507



**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-MODIFIED CASH BASIS**  
**COLE PUBLIC WORKS AUTHORITY**  
**For the Fiscal Year Ended June 30, 2014**  
**(Unaudited)**

**Operating Revenues:**

Charges for services:

Water Revenues	\$ 62,634
Water Taps	-
Total Operating Revenue	<u>62,634</u>

**Operating Expenses:**

Personal Services	-
Maintenance & Operations	<u>37,576</u>
Total Operating Expenses	<u>37,576</u>

Operating Income (Loss)	<u>25,058</u>
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**Non-Operating Revenues (Expenses):**

Investment income	294
Miscellaneous income	-
Water Meter Deposits (Net)	871
Grant revenue	-
Capital outlay	<u>(2,000)</u>
Total Non-Operating Revenues (Expenses)	<u>(836)</u>

<b>Net Income (Loss) Before Contributions and Transfers</b>	<b>24,223</b>
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Capital contributions	-
Operating Transfers in	-
Operating Transfers out	<u>(49,193)</u>
	<u>(49,193)</u>

<b>Changes in Fund Balance</b>	<b>(24,970)</b>
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<b>Fund Balance - beginning</b>	<u>175,494</u>
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<b>Fund Balance - ending</b>	<u><u>\$ 150,524</u></u>
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**TOWN OF COLE AND PUBLIC TRUST**  
Cole, Oklahoma

**SCHEDULE OF GRANT ACTIVITY-MODIFIED CASH BASIS**  
For the Fiscal Year Ended June 30, 2014  
(Unaudited)

	<u>Award Amount</u>	<u>Prior Year(s) Receipts</u>	<u>Prior Year(s) Disbursements</u>	<u>Beginning of Year Unexpended Grant Funds</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Unexpended Grant Funds</u>
<b>TOWN:</b>							
Department of Agriculture Fire Operations Grant	\$ 4,474	\$ -	\$ -	\$ -	\$ 4,474	\$ 4,474	\$ -
<b>Town Subtotal</b>	<u>4,474</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,474</u>	<u>4,474</u>	<u>-</u>
<b>PUBLIC WORKS AUTHORITY:</b>							
Association of South Central Oklahoma Governments REAP-COLE-12	41,200	-	-	-	-	-	-
<b>PWA Subtotal</b>	<u>41,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Overall Totals</b>	<u>\$ 45,674</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,474</u>	<u>\$ 4,474</u>	<u>\$ -</u>